

Total is an integrated global oil and gas group with a presence in chemicals

Profile

Total is one of the leading global oil and gas groups. The company operates in more than 130 countries and covers every oil industry segment, from Upstream to Downstream. Total is also a major player in chemicals and is committed to the development of renewable energy.



(1) boe = barrel of oil equivalent

Performance in 2017

Brent rose to USD 54/b on average in 2017 from USD 44/b in 2016 while remaining volatile. The group demonstrated its ability to capture the benefit of higher prices by reporting adjusted net income of USD 10.6 billion, a 28% increase (compared to a 24% increase in Brent), and a return on equity above 10%, the highest among the majors. The Upstream, in particular, increased its results by more than 80% and its operating cash flow by close to 40%.

Financial discipline was successfully maintained. Organic investments were USD 14.4 billion, in line with guidance of USD 13-15 billion, and cost savings reached USD 3.7 billion in 2017, exceeding the target of USD 3.5 billion. Production costs fell to USD 5.4/boe in 2017 from USD 9.9/boe in 2014.

These strong results were driven by production growth (5% in 2017), notably the start-up of Moho-Nord in the Republic of Congo, the ramp-up of Kashagan in Kazakhstan and the entry into Al-Shaheen in Qatar. The Downstream confirmed its ability to generate around USD 7 billion of operating cash flow and reported a return on capital employed of more than 30%.

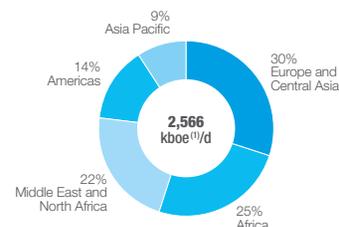
In Exploration & Production, the group is preparing for future growth with the announced acquisition of Maersk Oil. In the framework of its integrated gas strategy, it announced the acquisition of the LNG business of ENGIE to take full advantage of the fast-growing LNG market.

The strategy implemented since 2015 has enabled the group to reduce, in 2017, its pre-dividend organic breakeven to USD 27/b and generate USD 22 billion of debt-adjusted cash flow. The group continued to strengthen its balance sheet, ending the year with a 14% gearing, a significant decrease compared to 2016.

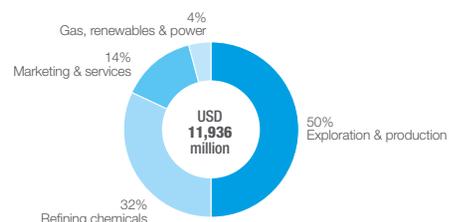
In this context, the Board of Directors decided to eliminate the discount on the scrip dividend and to propose a new attractive shareholder return policy for the coming three years.

Total in figures

Hydrocarbon production by geographic area



Adjusted net operating income from business segments



Key financial data

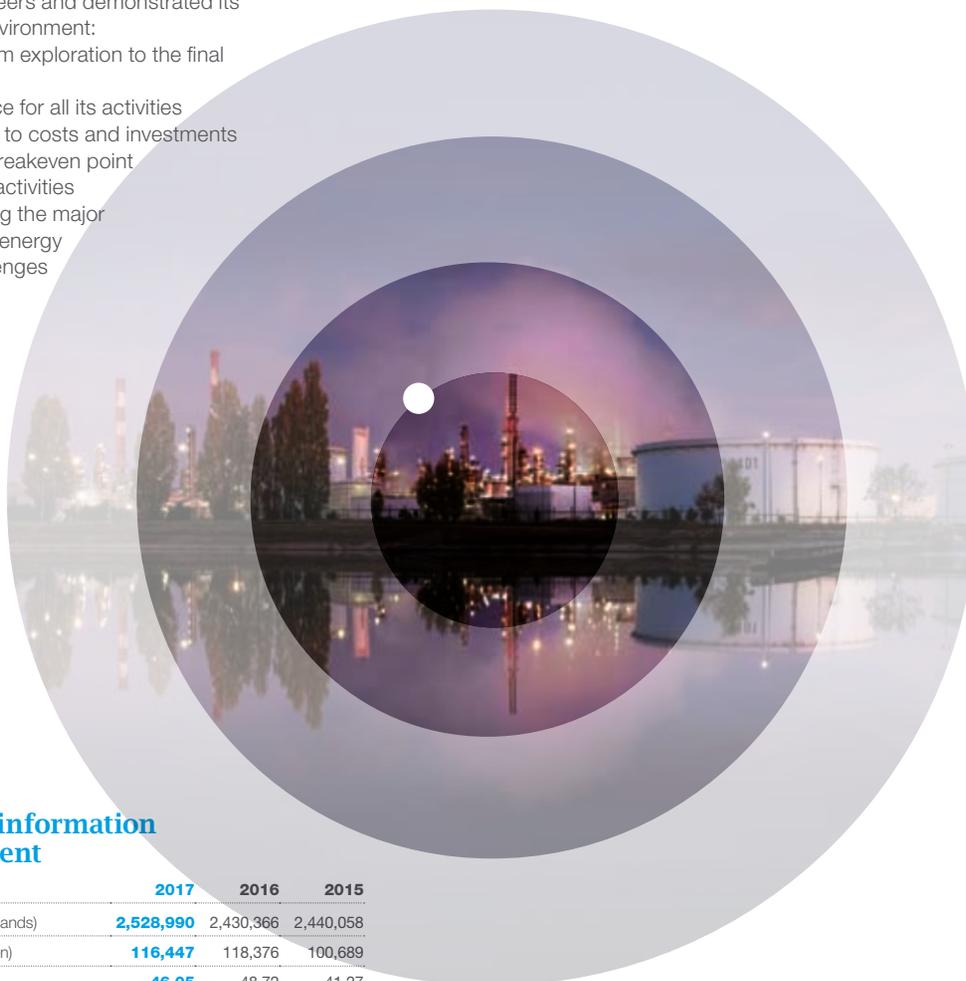
	2017	2016	2015
Simplified income statement (in USD million)			
Sales	171,493	149,743	165,357
Adjusted net operating income from business segments	11,936	9,410	11,362
Adjusted net income (group's share)	10,578	8,287	10,518
Net income (group's share)	8,631	6,196	5,087
Simplified balance sheet (in USD million)			
Shareholders' equity (group's share)	111,556	98,680	92,494
Non-controlling interests	2,481	2,894	2,915
Net financial debt	15,424	27,121	26,586
Debt-equity ratio (%)	14	27	28



Investment case

Total outperformed its peers and demonstrated its resilience in a difficult environment:

- Integrated model, from exploration to the final customer
- Operational excellence for all its activities
- Disciplined approach to costs and investments
- Oil activity with low breakeven point
- Development of gas activities
- Objective of becoming the major player in responsible energy to meet energy challenges



Market data and information on GBL's investment

Stock market data	2017	2016	2015
Number of shares issued (in thousands)	2,528,990	2,430,366	2,440,058
Market capitalisation (in EUR million)	116,447	118,376	100,689
Closing share price (in EUR/share)	46.05	48.72	41.27
Adjusted fully-diluted net income (in EUR/share)	3.65	3.06	4.51
Dividend (in EUR/share)	2.48⁽¹⁾	2.45	2.44

GBL's investment	2017	2016	2015
Percentage of share capital (in %)	0.6	0.7	2.4
Percentage of voting rights (in %)	1.2	1.3	2.2
Market value of the investment (in EUR million)	746	789	2,463
Dividends collected by GBL (in EUR million)	36	75	157

Representatives in statutory bodies	1	2	2
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(1) Subject to the approval of the General Shareholders' Meeting

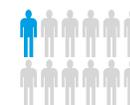
TSR annualised (%)

	1 year	3 years	5 years
Total	(0.3)	8.6	9.3
STOXX Europe 600 Oil & Gas	2.9	9.2	4.7

Capital held by GBL

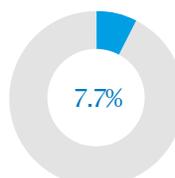


Representatives in statutory bodies



1 out of 12

Total's contribution to the net dividends collected on GBL's investments



Total's contribution to GBL's portfolio

